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PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

In re Application of : Castleman
For : Methods and Apparatus for Developing and
Marketing Combined Insurance Packages
Serial No. : 10/714,281
Filed : 11/14/2003
Group : 3626
Examiner : Lubin, Valerie

Durham, North Carolina
August 11, 2010

MAIL STOP APPEAL BRIEF – PATENTS
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

REPLY BRIEF

Sir:

The present reply brief addresses the following points raised by the Examiner's Answer
as follows:

Section 101, pages 3 and 4 of the Answer

Subsequent to the Answer, the Federal Circuit decided Research Corporation
Technologies, Inc. v. Microsoft Corporation, 2010-1037 on December 8, 2010. The legal
analysis of that case calls into question the legal analysis of the Answer. In Research Corp., the

subject matter was a "process" for sending a halftone image. The Court in that case had no difficulty concluding that claim 1 of the '310 patent set forth below:

1. A method for the half toning of gray scale images by utilizing a pixel-by-pixel comparison of the image against a blue noise mask in which the blue noise mask is comprised of a random non-deterministic, non-white noise single valued function which is designed to produce visually pleasing dot patterns when thresholded at any level of said gray scale images.

passed muster under Section 101. The above claim is clearly more abstract than the claims under appeal, and under this binding authority, the present Section 101 rejection must be withdrawn as legally incorrect. Claim 5 addresses "a computer implemented system" and that is all that is needed to overcome a Section 101 rejection. However, even under the analysis purportedly applied by the final Official Action, the ultimate conclusion is wrong and should be reversed. An ongoing theme of the final Official Action is to disregard or read words out of the claims where to consider them would compel a different result.

Analysis of Flagg, top of page 5

The Answer suggests Flagg discloses a system including "adjusting the cost of an insurance package in light of the effect on said risk of the at least additional component to optimize the rise and cost of the insurance product (Abstract, Fig. 2 element 90)." This analysis disregards the language of the claim 5 which recites "at least one additional insurance component having an effect on the risk of the mortgage insurance component when sold together with the mortgage insurance component." As a result, this analysis is faulty and not relevant to claim 5 and the claims dependent thereon.

Basis for combining Flagg, Debber and Libman at page 5

At the middle of page 5, the Answer states "It would have been obvious to one of ordinary skill in the art to combine the teachings of Flagg, Debber and Libman to include data

about mortgage insurance and insurance packages in order to market bundled products to customers with more than one type of insurance need." First, this conclusory type of analysis is legally inappropriate as it would support any possible hindsight reconstruction of any claim. Stripped to its essentials, it says here are some features, it's obvious to combine them to meet customer's needs. However, it is well established in patent law that recognizing a previously unrecognized need or combining old products in new and advantageous ways are often inventive. Taking the teaching of a patent application and its claims as a road map to reconstruct the claims has been repeatedly rejected as an improper hindsight reconstruction of the claims. Second, the present claims do not simply combine products. It recognizes that certain products have a special relationship and packages those products in a new and non-obvious way. Even assuming arguendo that the Answer's rationale is appropriate, the relied items if combined still do not meet claims 5.

Non-functional descriptive material, pages 6 and 10

At both pages 6 and 10, the Answer asserts the position "that the type of insurance package is non-functional descriptive material". This assertion appears farfetched in the context of a computer implemented invention as claimed. In such a system, the programming, the data stored and a host of other factors vary depending upon what the computer system is intended to do. If they do not, the system cannot work. Further, such changes have repeatedly been found patentable. Flagg or the other relied upon items could not simply be modified with new descriptions to address the claimed insurance packages. They would require extensive modification. The types of cases relied upon by the Answer address situations like putting a different label on a pencil or different marking on a ruler. In short, the cited authority has no relevance here. To sum up, the analysis of the Answer in this regard is off the mark both

factually and legally.

Basis for combining Flagg, Debber, Libman and Tyler at p. 7

At page 7, the answer states with regards to claim 21, "Flagg, Debber and Libman do not specifically recite discounting the computed cost by taking into account a reduced likelihood of default on the mortgage due to job loss component." Further, neither does Tyler, however, the Answer continues: "Tyler disclosed reducing policy costs based on certain parameters or clients' potential circumstances, such as early payments (Col. 33, lines 66-67, col. 7, line 1). It would therefore have been obvious to one of ordinary skill in the art to combine the prior art to see the impact of such parameters and to accurately devise such costs." This conclusory analysis cannot appropriately be the basis for combining a combination of three items all of which admittedly fail to make the claim obvious with another item which also does not teach the missing claim element. Combining Tyler with the other items would not result in the claim, but rather a system which analyzed "the clients' potential circumstances, such as early payments". Thus, according to Tyler, if the client lost his or her job, this client circumstance could be considered after the fact, but there would be no basis for analyzing that the client had obtained a package including job loss insurance so that he or she would be less likely to miss a mortgage payment regardless of a change of circumstance like losing a job. The sketchy disclosure of Tyler contains no teaching explicit thereto.

Language is first in the preamble and does not structurally limit the claimed limitations, page 9

The above statement is found at page 9 of the Answer. First, preamble language can appropriately limit a claim, and must be considered to do so here. Further, implicit in the statement "first in the preamble", the limiting language is found throughout the claim and does structurally define the subject matter of the invention as follows:

the long term storage hosts "a risk data repository for storing risk information to be used in determining the risk and cost of providing insurance packages" where the packages are defined in the preamble;

the long term storage hosts "an insurance data repository including information about one or more available additional insurance components" where those components are defined by the preamble;

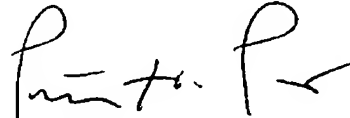
the risk evaluator adjusts "the cost of the mortgage insurance component in light of the effect of said risk of the at least one additional component to optimize the risk and cost of the package" where the at least one additional component is defined in the preamble.

It is entirely appropriate for the antecedent basis for a claim element or features to be found in the preamble, and the antecedent basis cannot arbitrarily be read out of the claims in such a case on the basis that it "first appears in the preamble."

Conclusion

The analysis of the Answer is repeatedly flawed. The present claims are not obvious from the relied upon art and the findings of obviousness based thereon should be reversed.

Respectfully submitted,



Peter H. Priest
Reg. No. 30,210
Priest & Goldstein, PLLC
5015 Southpark Drive, Suite 230
Durham, NC 27713
(919) 806-1600